LEGAL NOTICE

STATE OF LOUISIANA, OFFICE OF CONSERVATION, BATON ROUGE, LOUISIANA.

In accordance with the laws of the State of Louisiana, and with particular reference to the provisions of Title 30 of Louisiana Revised Statutes of 1950, a public hearing will be held in the Hearing Room, 1st Floor, LaSalle Building, 617 North 3rd Street, Baton Rouge, Louisiana, at 9:30 a.m. on **TUESDAY**, **DECEMBER 2**, 2008, upon the application of **J-W OPERATING COMPANY**.

At such hearing the Commissioner of Conservation will consider evidence relative to the issuance of Orders pertaining to the following matters relating to the **Hosston Formation**, **Reservoir A**, the Cotton Valley Formation, **Reservoir A** and the Haynesville Zone, **Reservoir A**, in the Caspiana Field, DeSoto Parish, Louisiana.

- 1. To create seven (7) additional drilling and production units for the exploration for and production of gas and condensate from the Haynesville Zone, Reservoir A.
- 2. To force pool and integrate all separately owned tracts, mineral leases and other property interests within each of the proposed additional units in accordance with Section 10, Title 30 of the Louisiana Revised Statutes of 1950, with each tract sharing in unit production on a surface acreage basis of participation.
- 3. To designate a unit operator of, and unit wells for, the proposed additional units as may be appropriate.
- 4. To expand the provisions of Office of Conservation Order Nos. 191-9, 191-22, 191-23 and 191-37, approving downhole combination of production from the Hosston Formation, Reservoir A and the Cotton Valley Formation, Reservoir A, so as to include production from HA RA SUNN thru HA RA SUSS in any well in which the ownership interests in the units from which production is to be combined downhole are identical.
- 5. To permit Applicant to combine downhole production from the Hosston Formation, Reservoir A, the Cotton Valley Formation, Reservoir A and the Haynesville Zone, Reservoir A, or any combination thereof, in any well drilled on HOSS RA SUDD, CV RA SUDD and HA RA SUMM in which the interests in the units from which production is to be combined downhole are identical.
- 6. To provide that with respect to any horizontal wells drilled to the Haynesville Zone, Reservoir A, within these proposed units, where the horizontal portion of the well is cased and cemented back above the top of the Haynesville Zone, Reservoir A, the distance to any unit boundary will be calculated based on the distance to the nearest perforation in the well and not based on the penetration point or terminus.
- 7. To extend, except as in conflict herewith, the provisions of Order No. 191-H, effective August 28, 2007, as amended and supplemented by the Order No. 191-H Series of Orders, to the proposed additional units for the Haynesville Zone, Reservoir A.
- 8. To consider such other matters as may be pertinent.

The Hosston Formation, Reservoir A was defined in Order No. 191-B, effective April 15, 1975.

The Cotton Valley Formation, Reservoir A was defined in Order No. 191-A, effective February 15, 1975, and was further defined in Order No. 191-A-5, effective February 22, 1983.

The Haynesville Zone, Reservoir A was defined in Order No. 191-H, effective August 28, 2007.

Plats are available for inspection in the Office of Conservation in **Baton Rouge** and **Shreveport**, Louisiana. www.dnr.state.la.us/CONS/CONSEREN/hearings/pubhearings.htm.

All parties having interest therein shall take notice thereof.

BY ORDER OF:

JAMES H. WELSH COMMISSIONER OF CONSERVATION

Baton Rouge, LA 10/17/08;10/22/08 S lck

IF ACCOMMODATIONS ARE REQUIRED UNDER AMERICANS WITH DISABILITIES ACT, PLEASE ADVISE THE OFFICE OF CONSERVATION-ENGINEERING DIVISION AT P.O. BOX 94275, BATON ROUGE, LA 70804-9275 IN WRITING WITHIN TEN (10) WORKING DAYS OF THE HEARING DATE.